



CALIFORNIA BOARD OF ACCOUNTANCY

2000 EVERGREEN STREET, SUITE 250
SACRAMENTO, CA 95815-3832
TELEPHONE: (916) 263-3680
FACSIMILE: (916) 263-3675
WEB ADDRESS: <http://www.dca.ca.gov/cba>



Regulation Notice from

UPDATE #57

February 24, 2005

Regulation Notice

TITLE 16. CALIFORNIA BOARD OF ACCOUNTANCY

NOTICE IS HEREBY GIVEN that the California Board of Accountancy is proposing to take the action described in the Informative Digest. Any person interested may present statements or arguments orally or in writing relevant to the action proposed at a hearing to be held at the Westin Horton Plaza, 910 Broadway Circle, in San Diego, CA 92101 at 11:00 a.m., on May 20, 2005. Written comments, including those sent by mail, facsimile, or e-mail to the addresses listed under Contact Person in this Notice, must be received by the California Board of Accountancy at its office no later than 5:00 p.m. on May 19, 2005, or must be received by the California Board of Accountancy at the hearing. If submitted at the hearing, it is requested, although not required, that 25 copies be made available for distribution to Board members and staff. The California Board of Accountancy, upon its own motion or at the instance of any interested party, may thereafter adopt the proposals substantially as described below or may modify such proposals if such modifications are sufficiently related to the original text. With the exception of technical or grammatical changes, the full text of any modified proposal will be available for 15 days prior to its adoption from the person designated in this Notice as the Contact Person and will be mailed to those persons who submit written or oral testimony related to this proposal or who have requested notification of any changes to the proposal.

Authority and Reference: Pursuant to the authority vested by Sections 5010, 5018, 5096.9 and 5116 of the Business and Professions Code and Section 11400.20 of the Government Code and to implement, interpret or make specific Sections 122, 163, 5018, 5096-5096.11, 5100, 5116-5116.6, and 5134 of the Business and Professions Code, Section 1633.2 of the Civil Code, and Section 11435.50(e) of the Government Code, the California Board of Accountancy is considering changes to Division 1 of Title 16 of the California Code of Regulations as follows:

INFORMATIVE DIGEST/POLICY STATEMENT OVERVIEW

1. Adopt Sections 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, and 35.1, and amend Section 70 of Title 16 of the California Code of Regulations.

Section 5010 of the Business and Professions Code authorizes the California Board of Accountancy to adopt regulations for the orderly administration of the Accountancy Act. Legislation enacted in 2004 added Article 5.1 (commencing with Business and Professions Code Section 5096) to the Accountancy Act to permit a qualified out-of-state CPA to practice in California without a California license by obtaining a "practice privilege" that is under the full regulatory authority of the Board. Section 5096.9 in Article 5.1 authorizes the Board to adopt regulations to implement, interpret, or make specific the provisions of Article 5.1.

This proposal would adopt regulations to implement Article 5.1 including regulations specifying the notification requirement, payment of the fee, and conditions requiring board approval.

The objective of this proposal is to implement Article 5.1 with regulations that maximize consumer protection and support cross-border practice in a way that is efficient, effective, and encourages compliance.

2. Amend Section 98 of Title 16 of the California Code of Regulations.

Section 5010 of the Business and Professions Code authorizes the California Board of Accountancy to adopt regulations for the orderly administration of the Accountancy Act. Section 5018 of the Business and Professions Code authorizes the Board to adopt regulations related to rules of professional conduct. Section 11400.20 of the Government Code authorizes state agencies to adopt regulations to govern adjudicative proceedings. Section 11425.50 of the Government Code indicates that penalties in adjudicative proceedings cannot be based on a guideline unless the guideline is adopted as a regulation.

Section 98 was adopted in 1997 to incorporate the California Board of Accountancy's disciplinary guidelines by reference. These guidelines were revised in 2001 and in 2003 to address the violation of additional statutory and regulatory provisions.

In 2004, Article 6.5 (commencing with Business and Professions Code Section 5116) was added to the Accountancy Act to authorize the Board to assess disciplinary fines on both individuals and firms. Section 5116 in Article 6.5 requires the Board to adopt regulations to establish criteria for assessing administrative penalties.

This proposal would incorporate by reference "A Manual of Disciplinary Guidelines and Model Disciplinary Orders" (6th edition, 2005) which includes criteria for assessing the administrative penalties provided for in Article 6.5.

The objective of this proposal is to implement Article 6.5 by amending Section 98 to facilitate the assessment of reasonable administrative penalties under Article 6.5.

FISCAL IMPACT ESTIMATES

Fiscal Impact on Public Agencies Including Costs or Savings to State Agencies or Costs/Savings in Federal Funding to the State:

The cost of implementing the Practice Privilege Program will be funded by the fees paid by participants in the program.

Nondiscretionary Costs/Savings to Local Agencies: None.

Local Mandate: None.

Cost to Any Local Agency or School District for Which Government Code Section 17561 Requires Reimbursement: None.

Business Impact:

The California Board of Accountancy has made an initial determination that the proposed regulatory action would have no significant statewide adverse economic impact directly affecting business, including the ability of California businesses to compete with businesses in other states.

AND

The following studies were relied upon in making that determination: None.

Impact on Jobs/New Businesses:

The California Board of Accountancy has determined that this regulatory proposal will not have any impact on the creation of jobs or new businesses or the elimination of jobs or existing businesses or the expansion of businesses in the State of California.

Cost Impact on Representative Private Person or Business:

Under this proposal, an out-of-state CPA will be charged a \$100 fee for a California practice privilege. Also, under this proposal licensed individuals or licensed firms may incur fines for violations of the Accountancy Act.

Effect on Housing Costs: None.

EFFECT ON SMALL BUSINESS

The California Board of Accountancy has determined that the proposed regulations would affect small businesses.

CONSIDERATION OF ALTERNATIVES

The California Board of Accountancy must determine that no reasonable alternative which it considered or that has otherwise been identified and brought to its attention would either be more effective in carrying out the purpose for which the action is proposed or would be as effective and less burdensome to affected private persons than the proposal described in this Notice.

Any interested person may present statements or arguments orally or in writing relevant to the above determinations at the above-mentioned hearing.

INITIAL STATEMENT OF REASONS AND INFORMATION

The California Board of Accountancy has prepared an initial statement of the reasons for the proposed action and has available all the information upon which the proposal is based.

TEXT OF PROPOSAL

Copies of the exact language of the proposed regulations and of the initial statement of reasons, and all of the information upon which the proposal is based, may be obtained at the hearing or prior to the hearing upon request from the California Board of Accountancy at 2000 Evergreen Street, Suite 250, Sacramento, California 95815.

AVAILABILITY AND LOCATION OF THE FINAL STATEMENT OF REASONS AND RULEMAKING FILE

All the information upon which the proposed regulations are based is contained in the rulemaking file which is available for public inspection by contacting the person named below.

You may obtain a copy of the final statement of reasons once it has been prepared, by making a written request to the contact person named below or by accessing the Web site listed below.

CONTACT PERSON

Inquiries or comments concerning the proposed administrative action may be addressed to:

Name: Aronna Wong
Address: California Board of Accountancy
2000 Evergreen Street, Suite 250
Sacramento, CA 95815

Telephone No.: (916) 561-1788
Fax No.: (916) 263-3675
E-Mail Address: awong@cba.ca.gov

The backup contact person is:

Name: Mary Crocker
Address: California Board of Accountancy
2000 Evergreen Street, Suite 250
Sacramento, CA 95815

Telephone No.: (916) 561-1713
Fax No.: (916) 263-3675
E-Mail Address: mcrocker@cba.ca.gov

Inquiries concerning the substance of the proposed regulations may be directed to Aronna Wong at (916) 561-1788.

Web site Access: Materials regarding this proposal can be found at www.dca.ca.gov/cba.

TEXT OF PROPOSAL

Article 4 – Practice Privileges.

Section 26. Purpose of this Article.

This Article implements Article 5.1 of the Accountancy Act (commencing with Business and Professions Code Section 5096) related to Practice Privileges.

Note: Authority cited: Sections 5010 and 5096.9 Business and Professions Code. Reference: Sections 5096 – 5096.11 Business and Professions Code.

Section 27. Qualifications for the Practice Privilege.

To be eligible for a practice privilege, an individual whose principal place of business is not in California and who holds a valid, current license to practice public accountancy issued by another state shall meet the requirements of Business and Professions Code Section 5096 including, but not limited to, satisfying one of the following:

(a) Hold a current, valid license, certificate, or permit from a state determined by the Board to have education, examination, and experience requirements for licensure substantially equivalent to the requirements in Business and Professions Code Section 5093;

(b) Possess education, examination, and experience qualifications that have been determined by the Board to be substantially equivalent to the qualifications under Business and Professions Code Section 5093. Pursuant to subdivision (b) of Business and Professions Code Section 5096, the Board accepts individual qualification evaluations of substantial equivalency by the National Association of State Boards of Accountancy's (NASBA's) CredentialNet. Prior to seeking a practice privilege under this paragraph, an individual shall apply to NASBA's CredentialNet, pay the required fee, and obtain the required substantial equivalency determination. The individual shall report the NASBA file number on the Notification Form submitted pursuant to Section 28 and shall authorize the Board to review the NASBA file upon request; or

(c) Have continually practiced public accountancy as a Certified Public Accountant under a current, valid license issued by any state for four of the last ten years.

Note: Authority cited: Sections 5010 and 5096.9 Business and Professions Code. Reference: Section 5096 Business and Professions Code.

28. Notification.

(a) To obtain a practice privilege, an individual meeting the requirements of Section 27 shall notify the Board by submitting the fully completed Notification Form provided at the end of this Section or the electronic equivalent provided by the Board on its Web site, and shall pay the fee as required by Sections 31 and 70. Except for the electronic signature which is provided for in subsection (c), the electronic version of the form shall be identical in content to the paper version of the Notification Form provided at the end of this section.

(b) The license which shall be reported on Item 3 of "Qualification Requirements" on the Notification Form and "the license upon which the substantial equivalency is based" referenced in subdivision (e) of Business and Professions Code Section 5096 is the license under which an individual qualifies for a practice privilege pursuant to subsection (a) of Section 27, or the license in the state of the principal place of business for an individual who qualifies for a practice privilege under subsection (b) or (c) of Section 27.

(c) The electronic version of the Notification Form shall provide for a certification and electronic signature as follows:

I understand that any misrepresentation or omission in connection with this notification disqualifies me from the California practice privilege and is cause for termination. Further I authorize the California Board of Accountancy to act accordingly, including notifying other state or federal authorities. By typing my name in the box below and clicking the "I Agree" button I certify under penalty of perjury under the laws of the State of California that the information contained in this notice is true and correct. If I am not prepared to so certify, I understand that I should click the "Cancel" button to discontinue the notification process.

Full name _____

I Agree

Cancel

Note: Authority cited: Sections 5010 and 5096.9 Business and Professions Code. Reference: Section 5096 Business and Professions Code and Section 1633.2 Civil Code.

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**NOTIFICATION AND AGREEMENT TO CONDITIONS FOR THE PRIVILEGE TO
 PRACTICE PUBLIC ACCOUNTING IN CALIFORNIA PURSUANT TO
 CALIFORNIA BUSINESS AND PROFESSIONS CODE SECTION 5096 AND TITLE 16, DIVISION 1,
 ARTICLE 4 OF THE CALIFORNIA CODE OF REGULATIONS:**

Name: _____ Prior Name(s): _____

Firm Name: _____

Address of Principal Place of
 Business (mailing address): _____

Address of Record
 (if different than address above): _____

Telephone Number _____ Fax Number _____ Business
 (business hours): _____ (business hours): _____ E-mail: _____

Date Of Birth: ____ / ____ / ____ Social Security Number: _____

QUALIFICATION REQUIREMENTS:

I state as follows:

1. ☐ I am an individual.
2. ☐ My principal place of business is not in California, and I do not have an office in California other than through a firm that is registered in California and of which I am an employee; **OR**
☐ I have a pending application for licensure in California under Sections 5087 and 5088.
3. ☐ I qualify for a practice privilege based on my current, valid license to practice public accountancy in the following state:

State: _____ License _____ Date _____ License
 Number: _____ Issued: _____ Expiration Date: _____

4. ☐ a. The state of licensure identified in Item 3 is deemed substantially equivalent by the California Board of Accountancy (CBA) (see Appendix 1 for a list of substantially equivalent states); **OR**
☐ b. My individual qualifications have been determined by NASBA to be substantially equivalent (NASBA file no. _____); **OR**
☐ c. I have continually practiced public accountancy as a certified public accountant under a valid license issued by any state for 4 of the last 10 years.
5. ☐ I am submitting this notice to the CBA at or before the time I begin the practice of public accountancy in California; **OR**
☐ (This option is only available through December 31, 2007.) I am submitting this notice within five business days after I began the practice of public accountancy in California on ____ / ____ / ____ . My reason(s) for not providing notice on or before that date:

6. ☐ I have met the continuing education requirements and any exam requirements for the state of licensure identified in Item 3 above.

I consent and agree to the following:

7. ☐ To comply with the laws of the State of California, including the California Accountancy Act (Business and Professions Code Section 5000 et seq., accessible at http://www.dca.ca.gov/cba/acnt_act.htm) and the regulations thereunder (accessible at <http://www.dca.ca.gov/cba/regs.htm>).
8. ☐ To the personal and subject matter jurisdiction of the CBA including, but not limited to, the following:
- a. To suspend or revoke, without prior notice or hearing and in the sole discretion of the CBA or its representatives, the privilege to practice public accounting;
 - b. To impose discipline for any violation of the California Accountancy Act or regulations thereunder and recover costs for investigation and prosecution; and
 - c. To provide information relating to a practice privilege and/or refer any additional and further discipline to the board of accountancy of any other state and/or the SEC, PCAOB or other relevant regulatory authorities.
9. ☐ To respond fully and completely to all inquiries by the CBA relating to my California practice privilege, including after the expiration of this privilege.
10. ☐ To the authority of the CBA to verify the accuracy and truthfulness of the information provided in this notification. I consent to the release of all information relevant to the CBA's inquiries now or in the future by:
- a. Contacting other state agencies;
 - b. Contacting the SEC, PCAOB or any other federal agency before which I am authorized to practice; and
 - c. Contacting NASBA.
11. ☐ In the event that any of the information in this notice changes, to provide the CBA written notice of any such change within 30 days of its occurrence.
12. ☐ To concurrently submit the fee of \$100.00.

REQUIREMENTS FOR SIGNING ATTEST REPORTS:

I wish to be able to sign an attest report under this practice privilege and, if so, I have at least 500 hours of experience in attest services. ☐ Yes ☐ No

DISQUALIFYING CONDITIONS:

Please check any of the items below that apply. *For any items checked "yes" in (A) – (G), you must provide additional information as requested in Attachment X, and you are not authorized to practice in California unless and until you receive notice from the CBA that the privilege has been granted.*

- | | | | |
|--------------------------|--------------------------|-----|---|
| Y | N | A. | I have been convicted of a crime other than a minor traffic violation. |
| <input type="checkbox"/> | <input type="checkbox"/> | | |
| Y | N | B. | I have had a license, registration, permit or authority to practice a profession surrendered, denied, suspended, revoked, or otherwise disciplined or sanctioned except for the following occurrences: |
| <input type="checkbox"/> | <input type="checkbox"/> | | |
| | | (1) | an action by a state board of accountancy in which the only sanction was a requirement that the individual complete specified continuing education courses. |
| | | (2) | the revocation of a license or other authority to practice public accountancy, other than the license upon which the practice privilege is based, solely because of failure to complete continuing education or failure to renew. |

- Y N C. I am currently the subject of an investigation, inquiry or proceeding by or before a
☐ ☐ state, federal, or local court or agency (including the PCAOB) involving my professional conduct.
- Y N D. I have an unresolved administrative suspension or an unpaid fine related to a prior
☐ ☐ California practice privilege.
- Y N E. I did not respond to a request for information from the CBA related to a prior practice
☐ ☐ privilege.
- Y N F. I have been notified by the CBA that prior Board approval is required before practice
☐ ☐ under a new practice privilege may commence.
- Y N G. I have had a judgment or arbitration award against me involving my professional
☐ ☐ conduct in the amount of \$30,000 or greater.

REQUIRED ADDITIONAL INFORMATION:

Do you currently hold a California Practice Privilege? ☐ Yes ☐ No

When does it expire? _____

Have you ever held a California CPA/PA license? ☐ Yes ☐ No License number: _____

In addition to the state of licensure identified in Item 3, I am also authorized to practice in the following:

State: _____ License Number: _____ Other Authority: _____

State: _____ License Number: _____ Other Authority: _____

An answer of "no" to any of the following statements does not disqualify you from a California practice privilege.

I am an associated person of a firm registered with the PCAOB. ☐ Yes ☐ No

My firm has undergone peer review within the last three years. ☐ Yes ☐ No

The state of licensure identified in Item 3 requires CE in fraud detection. ☐ Yes ☐ No

If yes, I have fulfilled this requirement. ☐ Yes ☐ No

I, _____, understand that any misrepresentation or omission in connection with this notification disqualifies me from the California practice privilege and is cause for termination. Further I authorize the California Board of Accountancy to act accordingly, including notifying other state or federal authorities. I certify under penalty of perjury under the laws of the State of California that the foregoing information is true and correct.

Signature: _____ Date: _____

Your privilege to practice commences with the submission of your completed notification and your fee. Your privilege expires at the end of one year.

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**ATTACHMENT X**

1. If you checked "yes" to any of items A – G under disqualifying conditions, please provide explanatory details:

2. If you checked "yes" to Item G under disqualifying conditions, please also provide:

Date of Judgment/

Arbitration Award: _____ Jurisdiction/Court: _____ Docket No: _____

PRIVACY STATEMENT: The information provided in this form will be used by the California Board of Accountancy to determine whether you qualify for practice privileges in California. Sections 5080 through 5095 of the Business and Professions Code authorize the collection of this information. Failure to provide any of the required information is grounds for rejection of the form as being incomplete. Information provided may be transferred to the Department of Justice, a District Attorney, a City Attorney, or to another government agency as may be necessary to permit the Board, or the transferee agency, to perform its statutory or constitutional duties, or otherwise transferred or disclosed as provided in Civil Code Section 1798.24. Each individual has the right to review his or her file, except as otherwise provided by the Information Practices Act. The Executive Officer of the California Board of Accountancy is responsible for maintaining the information in this form, and may be contacted at 2000 Evergreen Street, Suite 250, Sacramento, CA 95815, telephone number (916) 263-3680 regarding questions about this notice or access to records.

Section 29. Term of the Practice Privilege.

(a) Except as provided in Section 30 for practice commencing on or before December 31, 2007, or in those instances in which prior approval by the Board is required pursuant to Section 32, the practice privilege commences on the date the Notification Form is electronically submitted to the Board or on the postmark date of a Notification Form submitted to the Board by mail. When prior approval by the Board is required pursuant to Section 32, the practice privilege commences on the date the practice privilege is approved by the Board.

(b) A practice privilege, including a practice privilege that is or has been on administrative suspension pursuant to Business and Professions Code Section 5096.4, expires one year from the date the Notification Form is submitted to the Board or on the date a subsequent Notification Form is submitted to the Board, whichever occurs first.

Note: Authority cited: Sections 5010 and 5096.9 Business and Professions Code. Reference: Sections 5096 and 5096.4 Business and Professions Code.

30. Safe Harbor – Period of the Notice.

(a) The Notification Form required pursuant to Section 28 shall be submitted to the Board on or before the individual begins practice in California under a practice privilege. However, during the period January 1, 2006, through December 31, 2007, an individual shall not be deemed to be in violation of this Article or Article 5.1 of the Accountancy Act (commencing with Business and Professions Code Section 5096) solely because he or she begins the practice of public accounting in California prior to submitting the Notification Form, provided the Notification Form is submitted within five business days of the date practice begins. An individual who submits the Notification Form to the Board within the five-day period provided for in this Section shall be deemed to have a practice privilege from the first day of practice in California.

(b) In addition to any other applicable sanction, the Board may issue a fine of \$250 to \$5,000 for notifying the Board more than five business days after beginning practice in California. In assessing a fine amount, consideration shall be given to the factors listed in Section 95.3.

Note: Authority cited: Sections 5010 and 5096.9 Business and Professions Code. Reference: Sections 5096 and 5096.3 Business and Professions Code.

31. Payment of the Fee.

The fee required by Section 70(h) must be received by the Board within 30 days of the date the Notification Form is submitted to the Board.

(a) In addition to any other applicable sanction, an individual is subject to a fine of \$100 to \$500 for the first failure to pay the practice privilege fee within 30 days of the commencement of the practice privilege, including attempting to pay with a check that is subsequently dishonored. In assessing a fine amount, consideration shall be given to the factors listed in Section 95.3.

(b) In addition to any other applicable sanction, an individual is subject to a fine of \$250 to \$1,000 for any subsequent occurrence of failure to pay the practice privilege fee within 30 days, including attempting to pay with a check that is subsequently dishonored. In assessing a fine amount, consideration shall be given to the factors listed in Section 95.3.

(c) In addition to the fines described in this Section and any other applicable sanction, an individual is also subject to an administrative suspension for failure to pay the fee, including attempting to pay with a check that is subsequently dishonored. This administrative suspension shall remain in effect until the Board gives its approval for the individual to resume practice and shall not extend the term of the practice privilege.

Note: Authority cited: Sections 5010 and 5096.9 Business and Professions Code. Reference: Sections 5096, 5096.3, and 5096.4 Business and Professions Code.

32. Board Approval Required.

(a) An individual submitting a Notification Form pursuant to Section 28 who has any of the conditions listed in subsection (c) of this Section may not commence practice under a practice privilege without prior approval of the Board.

(b) A holder of a practice privilege who acquires any of the conditions listed in subsection (c) of this Section during the term of the practice privilege shall cease practicing immediately and shall not begin practicing again without prior approval of the Board.

(c) Conditions requiring Board approval to practice under a practice privilege:

(1) The individual is convicted of a crime other than a minor traffic violation.

(2) The individual has had a license or other authority to practice a profession issued by a state, federal, or local agency or court or the Public Company Accounting Oversight Board (PCAOB) revoked, suspended, denied, surrendered, put on probationary status, or otherwise sanctioned or limited, except for the following occurrences:

(A) An action by a state board of accountancy in which the only sanction was a requirement that the individual complete specified continuing education courses.

(B) The revocation of a license or other authority to practice public accountancy, other than the license identified in Item 3 of the Qualification Requirements on the Notification Form, solely because of failure to complete continuing education or failure to renew.

(3) The individual is the subject of an investigation, inquiry, or proceeding by or before a state, federal, or local court or agency (including the PCAOB) involving his or her professional conduct.

(4) The individual held a practice privilege in California that expired while under administrative suspension or with an unpaid fine.

(5) The individual has failed to respond to the satisfaction of the Board to a request for information from the Board regarding a matter related to a current or prior practice privilege.

(6) The individual has been notified by the Board that prior Board approval is required before practice under a new practice privilege may commence.

(7) The individual has had a judgment or arbitration award in an amount greater than \$30,000 entered against him or her in a civil matter involving the professional conduct of the individual.

Note: Authority cited: Sections 5010 and 5096.9 Business and Professions Code. Reference: Section 5096 Business and Professions Code.

33. Changes to Information on the Notification.

(a) An individual shall report in writing to the Board changes in the information reported on the Notification Form within 30 days of the change.

(b) In addition to any other applicable sanctions, an individual is subject to a fine of \$250 to \$5,000 for failure to comply with the requirements of this Section. In assessing a fine amount, consideration shall be given to the factors listed in Section 95.3.

Note: Authority cited: Sections 5010 and 5096.9 Business and Professions Code. Reference: Sections 5096 and 5096.3 Business and Professions Code.

34. Response to Board Inquiry.

(a) In addition to any other applicable sanction, failure to comply with the obligation to respond to Board inquiry pursuant to Section 5096(e)(5) could result in one or more of the following:

(1) Issuance of a fine of \$250 to \$5,000;

(2) An administrative suspension of a current practice privilege pursuant to Business and Professions Code Section 5096.4; or

(3) The requirement to obtain the approval of the Board before commencing to practice under a future practice privilege.

(b) In assessing a fine amount, consideration shall be given to the factors listed in Section 95.3.

Note: Authority cited: Sections 5010 and 5096.9 Business and Professions Code. Reference: Sections 5096, 5096.3, and 5096.4 Business and Professions Code.

35. Continuing Education Requirement.

An individual practicing under a practice privilege shall meet the continuing education requirements of the state of licensure identified in Item 3 of the Qualification Requirements on the Notification Form.

Note: Authority cited: Sections 5010 and 5096.9 Business and Professions Code. Reference: Sections 5096 Business and Professions Code.

Section 35.1. Notice of Intent to Administratively Suspend.

(a) Prior to the issuance of an Administrative Suspension Order pursuant to Business and Professions Code Section 5096.4, the Executive Officer may issue to the holder of a practice privilege a Notice of Intent to Administratively Suspend. The Notice of Intent to Administratively Suspend shall be in writing and shall be mailed to the practice privilege holder's address of record.

(b) The Notice of Intent to Administratively Suspend shall include a description of the contents of the Administrative Suspension Order pursuant to subdivision (c) of Section 5096.4.

(c) The Notice of Intent to Administratively Suspend shall provide the holder with a specified period of time in which to respond in writing by showing cause to the Executive Officer why the Administrative Suspension Order should not be issued.

(d) The Executive Officer shall determine whether or not the Administrative Suspension Order shall be issued and shall so inform the practice privilege holder in writing.

Note: Authority cited: Sections 5010 and 5096.9 Business and Professions Code. Reference: Section 5096.4 Business and Professions Code.

Section 70. Fees.

(a) (1) Commencing July 1, 2002, the fees to be charged each California applicant for the paper and pencil certified public accountant examination, including each applicant for re-examination, shall be an application fee of \$60 and a fee of \$36 for each part of the examination requested by the applicant.

(2) The fee to be charged each applicant from another state who sits for the paper and pencil certified public accountant examination in California shall be a total of \$75.

(3) Commencing January 23, 2004, the fee to be charged each California applicant for the computer-based Uniform Certified Public Accountant Examination, shall be an application fee of \$100 for issuance of the Authorization to Test to first-time applicants and an application fee of \$50 for issuance of the Authorization to Test to repeat applicants.

(b) Commencing July 1, 2001, the fee to be charged each applicant for issuance of a certified public accountant certificate shall be \$250.

(c) The fee to be charged each applicant for registration, including applicant for registration under a new name as a partnership or as a corporation, shall be \$150.

(d) Commencing July 1, 2000, the fee to be charged each applicant for the initial permit to practice as a partnership, a corporation, or a certified public accountant shall be \$200.

(e) Commencing July 1, 2000, the fee to be charged each applicant for renewal of a permit to practice as a partnership, a corporation, a public accountant, or a certified public accountant shall be \$200.

(f) The fee for the processing and issuance of a duplicate copy of a certificate of licensure or registration shall be \$10.

(g) The fee for processing and issuance of a duplicate copy of a registration, or permit or other form evidencing licensure or renewal of licensure shall be \$2.

(h) Commencing January 1, 2006, the fee to be charged an individual for a practice privilege pursuant to Business and Professions Code Section 5096 shall be \$100.

Note: Authority cited: Section 5010 and 5018, Business and Professions Code. Reference: Sections 122, 163 and 5134 Business and Professions Code.

98. Disciplinary Guidelines.

In reaching a decision on a disciplinary action under the Administrative Procedure Act (Government Code Section 11400 et seq.), the Board shall consider the disciplinary guidelines entitled "A Manual of Disciplinary Guidelines and Model Disciplinary Orders" (~~5th edition, 2003~~ 6th edition, 2005) which are hereby incorporated by reference. Deviation from these guidelines and orders, including the standard terms of probation, is appropriate where the Board in its sole discretion determines that the facts of the particular case warrant such a deviation – for example: the presence of mitigating facts; the age of the case; evidentiary problems.

NOTE: Authority cited: Sections 5010, ~~and 5018, and 5116~~, Business and Professions Code and Section 11400.20, Government Code. Reference: Sections 5018 and 5100, Business and Professions Code; and Section 11425.50(e), Government Code.